

ACCOUNTING POLICY

TOPIC: Section 1--Business Standards 3.0	EFFECTIVE DATE: 10/31/89
TITLE: Standards for Fiscal Personnel	REVISION DATE: 1/10/03
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BACKGROUND

The purpose of this internal operating procedure is to document and communicate to Bureau of Fiscal Services (BFS) employees (and others who are delegated fiscal responsibilities) the policies, procedures and action steps to enforce good accounting and fiscal reporting job standards. This policy addresses basic job standards for fiscal positions, expectations for supervisors and employees monitoring these standards, and consequences of non-compliance. However, procedures like these cannot be written comprehensively enough to cover every step or situation. Staff at all levels must be expected to use good judgment and to take appropriate action to deal with a variety of situations.

BASIC JOB STANDARDS FOR FISCAL PERSONNEL IN ANY DIVISION

These standards build upon those described in **Section 1--Business Standards 1.0** (Standards for Fiscal Personnel). Many of the accounting functions in the Department depend upon the quality and expertise of staff in the Divisions. Training to fiscal staff provides skills needed to perform more complex accounting functions in the future.

Training Plans and Job Expectations

1. **Basic Accounting Knowledge.** Some fiscal staff have not had adequate formal training and, as a result, are not able to perform corrections and other more complex functions accurately. Basic accounting courses are offered by a number of organizations.
2. **Generally-Accepted Accounting Principles (GAAP).** GAAP is required for the *DOA Comprehensive Annual Financial Report*. Some of this information will be obtained from divisions, and if division staff have an understanding of GAAP requirements, they should be able to perform satisfactorily.
3. **In-House Training.** BFS staff are available to assist with presentations and advise on which areas should be stressed in the *Department Accounting Policy and Procedures Manual* and the *DOA External Accounting Manual*.
4. **Job Expectations.** Basic job expectations for fiscal, accounting, and related positions should be placed in PPD's. The Director, Bureau of

Fiscal Services (or designee), will provide assistance in specifying these in the PPD process.

5. **Accounting and GAAP Manuals.** Basic reference materials should be available to staff in every accounting office. In addition to the Department's *Accounting Policy and Procedures Manual*, staff should have access to *Governmental Accounting, Auditing, and Financial Reporting* (GAAFR), published by the Government Finance Officers Association and at least one basic reference manual, such as a current intermediate accounting textbook.

ENFORCEMENT STEPS

1. Each BFS accountant or fiscal person has the responsibility and authority to identify accounting irregularities and non-conformance with Department policy or procedures. The concern should first be carefully and politely communicated (in writing if possible) to the staff person performing the work regardless of organizational location.
If the concern is serious (materiality, potential for audit or fraud risk, payment problem), the BFS supervisor should be notified immediately. The supervisor should help assess the seriousness and notify the Director's office if appropriate.
2. If it is known, the alternate and more appropriate transaction or accounting calculation should be recommended by BFS staff. Assistance in calculation should be offered, but it should be clear to Divisional fiscal staff it is their responsibility to do the work on time.
3. If compliance is not achieved under #1 and #2, the BFS supervisor should be asked to intervene with the supervisor of the other staff.
4. If compliance is not achieved, the BFS Director should be notified of the issue, and the BFS Section Chief should send a memo to the Bureau Director of the organization not in compliance with a copy to the BFS Director.
5. The progressive steps from this point include:
 - a. Report to the Division Administrator
 - b. Administrator to the Secretary--to obtain changeThe Section Chief or the Bureau Director will communicate these problems.
6. A repeating non-compliance would bypass steps #1-3.
7. Each section should keep statistics of the material problems and recommend a corrective action plan. Copies should be sent to the auditor in charge of site reviews.

REFERENCES

DOA Accounting Manual
Government Finance Officer's Association, *Governmental Accounting, Auditing, and Financial Reporting* (GAAFR)

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